



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of)

TRUSTMARK INSURANCE)
COMPANY,)

Respondent.)

No. D07-71

**CONSENT ORDER
IMPOSING A FINE**

COMES NOW the Insurance Commissioner of the State of Washington, pursuant to the authority provided in RCW 48.01.020, RCW 48.02.080, and RCW 48.05.185, and having reviewed the official records and files of the Office of the Insurance Commissioner, makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT:

1. Trustmark Insurance Company ("Trustmark") is authorized to conduct the business of insurance in Washington State and, therefore, is subject to Title 48 RCW and Chapter 284 WAC.
2. RCW 48.19.010(2) provides that every insurer shall, as to disability insurance, before using, file with the commissioner its manual of classification, manual of rules and rates, and any modifications thereof.
3. RCW 48.20.025(2) provides that an insurer shall file, for informational purposes only, a notice of its schedule of rates for its individual health benefit plans with the commissioner prior to use.
4. RCW 48.20.025(4) provides that the commissioner may not disapprove or otherwise impede the implementation of the filed rates.



5. On July 19, 2006, Trustmark filed a rate change for its individual health plans in which the current rate schedule listed was different from the one on file with the Office of the Insurance Commissioner. On August 7, 2006, the Office of the Insurance Commissioner sent an inquiry letter to Trustmark and asked Trustmark to provide a copy of the individual rate schedule it actually charged to the policyholders from September 2004 to the present.

6 Based upon the information provided by Trustmark, it was determined that, since September 2004, Trustmark charged eleven (11) policyholders incorrect rates and/or rates that differed from the rates on file with the Office of the Insurance Commissioner. Of the eleven policyholders, one (1) policyholder was under-billed \$19.00 during the period of September 2005 through August 2006, and ten (10) policyholders were over-billed a total of \$7,116 during the periods September 2004 through August 2005 and September 2005 through August 2006.

7. Trustmark explained the rate errors to the consumers. Trustmark also refunded to consumers the \$7,116 in over-charges, plus five percent (5%) interest.

8. Trustmark was candid and cooperative with the Office of the Insurance Commissioner during the investigation and resolution of this matter.

CONCLUSIONS OF LAW:

1. Trustmark violated RCW 48.19.010(2) and/or RCW 48.20.025(2) by charging rates different than those filed with the Office of the Insurance Commissioner.

2. RCW 48.05.185 authorizes the Insurance Commissioner to impose a fine in lieu of or in addition to the suspension or revocation of an insurer's certificate of authority.

CONSENT TO ORDER:

1. Trustmark consents to entry of this Order, and acknowledges its duty to comply fully with all applicable laws and regulations of the State of Washington. Trustmark knowingly and voluntarily waives further administrative or legal challenge to the actions taken, or to be taken, by the Insurance Commissioner, related to the subject matter of this Order. The Insurance Commissioner consents to resolve this matter in consideration of Trustmark's payment of the fine set forth below.

2. Within thirty days of the entry of this Order, Trustmark will pay to the Insurance Commissioner a fine in the amount of \$2,750 (two thousand seven hundred fifty dollars).

3. Failure to pay the fine, in full, within thirty days of the entry of this Order constitutes grounds for suspension or revocation of the Certificate of Authority held by Trustmark in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 20 day of February, 2007.

TRUSTMARK INSURANCE COMPANY,

By: Mary Ader
Mary Ader
Associate General Counsel

Pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner orders as follows:

ORDER:

1. Trustmark is ordered to pay, within thirty days of the entry of this Order, a fine in the amount of \$2,750 (two thousand seven hundred fifty dollars).
2. Failure to pay the fine timely, and in full, will constitute grounds for suspension or revocation of the Certificate of Authority held by Trustmark in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 27th day of FEBRUARY, 2007.

MIKE KREIDLER
Insurance Commissioner

By: Thomas P. Rowland
Thomas P. Rowland
Staff Attorney
Legal Affairs Division